

58 Ag 8
42 NORTH CAROLINA



COOPERATIVE CROP REPORTING SERVICE

QUESTIONS PERTINENT TO THIS ISSUE

1. WILL TOBACCO EXPORTS IN 1950 EQUAL 1949?
2. WHAT ARE THE PROSPECTIVE ALLOTMENTS FOR THE 1950 TOBACCO CROP?
3. HOW MANY PIGS WERE RAISED IN N. C. IN 1949?
4. GIVE THE TOTAL FARM EMPLOYMENT FOR NOVEMBER.
5. NAME THE COMMODITIES DECREASING IN PRICE IN DECEMBER.
6. GIVE THE INDEX OF PRICES RECEIVED BY N. C. FARMERS.
7. WHAT IS THE ESTIMATED NUMBER OF CHICKS HATCHED IN NOVEMBER?
8. COMPARE 1949 FARM PRICES WITH 1948.
9. REVIEW FEED PRICES.
10. HOW DOES 1949 APPLE CROP COMPARE WITH LAST YEAR?

No. 52

RALEIGH, N. C.

JANUARY 5, 1950

AGRICULTURAL PRICES AND OTHER CURRENT ITEMS

TOBACCO OUTLOOK FAVORABLE

A fairly strong demand for flue-cured, Burley and Maryland tobacco is expected in 1950 because cigarette production probably will continue near the 1949 record.

Output of cigarettes has been climbing steadily for several years, and for 1949 is estimated at around 392 billion, compared with 387 in 1948. However, production of cigarettes is showing a tendency to level off. Exports in 1949 dropped and domestic consumption showed a small rate of gain.

Exports of all types of tobacco in 1950 are expected to be about the same as the 525 million pounds estimated for 1949. Export prospects for cigarette types are considerably better than for other types. The lack of adequate supplies of acceptable leaf from other areas and ECA aid will be important factors favoring the movement of our leaf in 1950.

The 1949-50 supply of flue-cured tobacco is slightly larger than a year earlier. Flue-cured allotted acreage for 1950 will be practically the same as in 1949. However, due to the very large Burley supplies, 1950 allotments will be cut approximately 15 percent.

Under the Agricultural Act of 1949, price supports for the 1950 crops of flue-cured and Burley types of tobacco are expected to be a little higher than in 1949.

N.C. APPLE CROP DOWN - U.S. UP

The 1949 commercial apple crop in North Carolina is estimated at 448,000 bushels, 54% less than the 1948 crop and 46% less than the 5-year average. The late spring freeze and cold rainy weather during the pollinating season are primarily responsible for the short apple crop in the state.

For the United States, however, the 1949 commercial apple crop is estimated at 133,181,000 bushels--1½ times the short 1948 crop, and a fifth above the 5-year average.

1949 PIG CROP UP 8 PERCENT

North Carolina's 1949 pig crop totaled 1,612,000 head, an increase of 8 percent over last year, and 11 percent above the 1938-47 average, according to a recent survey made by the Crop Reporting Service through the cooperation of the State's Rural Mail Carriers. The increase results from a spring pig crop that was 12 percent larger than last year and a fall crop that was 4 percent larger.

The number of pigs saved in North Carolina during the past fall season (June 1 to December 1) is estimated to be 715,000 head, 26,000 head or 4 percent larger than the 1948 fall pig crop. There were 110,000 sows farrowing in fall season, an increase of 4,000 head or 4 percent above the fall season last year. This number is 5,000 head above the 10-year average. There was an average of 6.5 pigs per litter saved during the season or the same as during the corresponding period last year. Weather conditions during the peak fall

(Continued on Page 4)

FARM LABOR

There were 1,637,000 persons employed on farms in the South Atlantic States during the week of November 20-26, 1949. Of this total, 1,365,000 were family workers while 272,000 were hired workers. The number of persons employed on farms during this period was essentially the same as for the corresponding period a year ago, and was only 2% below the five year average. Family workers accounted for most of the drop from the five year average.

In North Carolina, the length of of the farm workday for hired workers on December 1 increased from 8.0 hours in 1948 to 8.3 hours in 1949, while farm operator's workday decreased from 9.5 hours in 1948 to 9.2 hours in 1949.

Favorable weather conditions prevailed over the entire state during most of November. As a result, most of the seasons work was completed by the end of the month. Cotton, corn and soybeans were 99 to 95% harvested. Feeding

(Continued on Page 4)

SUMMER PORK SUPPLY SEEMS ASSURED



N.C. PRICES RECEIVED INDEX DROPS 22 POINTS

Continuing a trend started in October, the "All Farm Products" index of prices received by North Carolina farmers at local markets decreased 22 points during the month ending December 15. The index decreased from 249 as of November 15 to 227 as of December 15. The same index was 280 in September and 275 in October. Lower prices for most crops along with near completed tobacco sales are responsible for the drop in the index.

The index of all commodity groups decreased during the month with the exception of the dairy and miscellaneous products groups. The grains commodity index decreased five points as a result of lower prices for corn, wheat, barley and rye.

The cotton and cottonseed index decreased 9 points as a result of lower prices for cotton. An increase of 50 cents per ton in the price of cottonseed was not sufficient to offset lower prices for cotton.

The tobacco index decreased 32 points primarily because of lower grades of Type 11 tobacco being offered for sale and also to the fact that sales of Types 12 and 13 have been completed.

Lower prices for hogs and lambs caused the meat animals index to drop two points. Slightly higher prices for beef cattle and veal calves were not sufficient to hold this index at the November level.

A decrease of 1.6 cents in the price of chickens and and two cents per dozen for eggs resulted in a drop of 12 points in the poultry index. Egg prices were the lowest since July.

Both butter and butterfat prices increased one cent per pound during the month and boosted the dairy products index one point.

The miscellaneous commodity group increased 14 points due to higher prices for peanuts, cowpeas, wool, potatoes, sweetpotatoes and apples.

The ratio of prices received by North Carolina farmers to prices paid by U. S. farmers declined 9 points during the month ending December 15. Prices received by North Carolina farmers declined relatively more than prices paid by U. S. farmers

NORTH CAROLINA AND UNITED STATES INDEX NUMBERS

(N. C. PRICES RECEIVED 1909-14 100 PERCENT)

COMMODITY	NOV. 15 1949	DEC. 15 1949	DEC. 15 1948	DEC. 15 1947	DEC. 15 1946
N. C. INDEX NUMBERS					
ALL FARM PRODUCTS..	249	227	242	274	249
COTTON & COTTONSEED	220	211	237	272	256
GRAINS.....	164	159	179	251	197
MEAT ANIMALS.....	312	310	369	363	320
POULTRY.....	273	261	313	321	283
DAIRY PRODUCTS.....	227	228	242	241	231
TOBACCO.....	308	276	298	311	275
MISCELLANEOUS.....	211	225	228	235	222
RATIO OF PRICES RECEIVED TO PAID*	104	95	98	112	118
U. S. INDEX NUMBERS					
PRICES RECEIVED....	239	236	268	301	264
PRICES PAID					
INTEREST & TAXES.	239	240	247	245	212
RATIO OF PRICES RECEIVED TO PAID.	100	98	109	123	125

* Ratio of N. C. prices received to U. S. prices paid.

U.S. PARITY RATIO BELOW 100

For the first time since November 1941, the Parity Ratio (ratio of prices received by farmers to prices paid, interest, and taxes) at 98 fell below 100 on December 15. The Parity Index and parity prices are based upon the current parity formula, which does not include wage rates for hired farm labor.

The lower Parity Ratio is largely the result of a 3 point drop in the level of prices received by farmers. The Prices Received Index fell to 236, the lowest point in 1949. Poultry and eggs, meat animals, cotton, and truck crops led the decline. Somewhat higher prices were received for grains and hay. Also contributing to lower Parity Ratio was a 1 point rise in the Parity Index (Index of Prices Paid, Interest, and Taxes). Higher prices were paid by farmers for feed, clothing, building materials, and household operating items.

PRICES RECEIVED BY FARMERS DECEMBER 15, 1949

WITH COMPARISONS

COMMODITY	UNIT	NORTH CAROLINA		U. S.
		NOVEMBER 15 1949	DECEMBER 15 1949	DECEMBER 15 1949
<u>-DOLLARS-</u>				
CORN.....	BU.	1.13	1.09	1.13
WHEAT.....	BU.	2.06	2.02	1.93
OATS.....	BU.	.90	.91	.699
BARLEY.....	BU.	1.27	1.22	1.09
RYE.....	BU.	2.16	1.98	1.26
SOYBEANS.....	BU.	1.89	1.87	2.09
COWPEAS.....	BU.	3.10	3.25	3.24
PEANUTS.....	LB.	.105	.111	.104
COTTON.....	LB.	.285	.272	.265
COTTONSEED.....	TON	43.50	44.00	43.30
WOOL.....	LB.	.47	.49	.467
HOGS.....	CWT.	16.30	15.70	14.80
BEEF CATTLE.....	CWT.	16.10	16.20	19.00
VEAL CALVES.....	CWT.	22.10	22.40	22.40
SHEEP.....	CWT.	10.00	10.00	9.28
LAMBS.....	CWT.	22.20	21.80	21.00
MILK COWS.....	HEAD	126.00	129.00	182.00
CHICKENS.....	LB.	.273	.257	.223
EGGS.....	DOZ.	.56	.54	.405
MILK, WHLSE.....	CWT.	5.10 2/	5.05 1/	4.23 1/
RETAIL.....	QT.	.20	.20	.186
BUTTER.....	LB.	.55	.56	.589
BUTTERFAT.....	LB.	.54	.55	.633
HAY, ALL BALED..	TON	28.30	28.50	21.90
POTATOES.....	BU.	1.60	1.65	1.31
SWEET POTATOES..	BU.	1.85	2.05	2.02
APPLES, COM'L...	BU.	2.00	2.20	1.59
LESPEDEZA SEED..	CWT.	8.10	7.70	6.56
KOREAN.....	CWT.	5.30	5.70	-
KOBE.....	CWT.	10.00	9.20	-
COM. & TENN. 76	CWT.	17.80	17.80	-
SERICEA.....	CWT.	18.00	18.00	-

1/ Preliminary

2/ Revised

COMPARISON OF U. S. PRICES RECEIVED BY FARMERS
AND PARITY PRICES

COMMODITY	PRICES RECEIVED BY FARMERS		PARITY OR COMPARABLE PRICES		AVERAGE PRICES AS PERCENTAGE OF PARITY	
	NOV. 15 1949	DEC. 15 1949	NOV. 15 1949	DEC. 15 1949	NOV. 15 1949	DEC. 15 1949
-DOLLARS-						
COTTON, LB.....	.277	.265	.296 2/	.297	94 2/	89
WHEAT.....	1.90	1.93	2.11 2/	2.12	90	91
CORN, BU.....	1.02	1.13	1.53 2/	1.54	67 2/	73
OATS, BU.....	.664	.699	.954 2/	.958	70 2/	73
BARLEY, BU.....	1.10	1.09	1.48 2/	1.49	74	73
RYE, BU.....	1.25	1.26	1.72 2/	1.73	73 2/	73
BEEF CATTLE, CWT.	19.20	19.00	13.00	13.00	148	146
HOGS, CWT.....	15.80	14.80	17.40	17.40	90	85
LAMBS, CWT.....	21.40	21.00	14.10	14.10	152	149
CHICKENS, LB....	.231	.223	.272 2/	.274	85 2/	81
EGGS, DOZ.....	.471	.405	.514 2/	.516	77 3/	66 3/
MILK, WHLSE, CWT..	4.25 2/	4.23 1/	3.86 2/	3.87 1/	101 2/	101 1/

1/ Preliminary

2/ Revised

3/ Ratio of seasonally adjusted prices to parity prices.

Business activity has improved during the past few weeks. Industrial production recovered to summer levels with the adjustment of the steel dispute. Spending for new construction continues at a near record rate. Consumer income is still at a high level. Wholesale prices were still at a high level. Wholesale prices were down less than 1 percent, from October to November.

ANNUAL REPORT OF DAIRY PRODUCTS MANUFACTURED IN NORTH CAROLINA, 1948
(ALL FIGURES IN THOUSANDS)

MANUFACTURED PRODUCTS	UNIT	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.	TOTAL
BUTTER.....	LBS.	84	58	68	105	141	107	83	166	162	243	165	248	1,630
ICE CREAM														
ICE CREAM, WHOLESALE.....	GAL.	687	625	1,061	1,234	1,350	1,559	1,673	1,398	1,254	905	866	704	13,316
TOTAL ICE CREAM.....	GAL.	739	679	1,133	1,319	1,445	1,675	1,785	1,492	1,335	975	926	757	14,260
CHEESE														
CHEESE, COTTAGE CURD.....	LBS.	38	66	90	68	61	75	69	58	85	127	45	134	916
CHEESE, COTTAGE CREAMED.....	LBS.	18	35	47	39	36	44	41	30	52	78	28	81	529
CONDENSED PRODUCTS														
UNSWEETENED CONDENSED MILK (SKIMMED).....	LBS.	2	-	5	-	-	-	-	114	2	1	1	3	128

The 8,392 million pounds of milk produced in November compared with 8,031 million for same month in '48 and 7,980 million pounds 10-year average for the month. Daily production per capita was third lowest for the month in past 10 years--only 1.87

COTTON OUTLOOK UNFAVORABLE

The short-term outlook for cotton is not too encouraging in light of this year's large crop.

Prices are at about the loan rate. The prospective carry-over at the end of the current season is 8 1/4 million bales. This is more cotton than domestic mills consumed last season and nearly twice as much as was exported. Cotton marketing quotas has been proclaimed for next year's crop. The national acreage allotment is set at the minimum figure of 21 million acres. This is only 80 percent as much as was planted this year.

More cotton has been produced in each of the last 3 years than has been used for domestic consumption and exports. Consequently, the supply has been increasing each season. This season, the supply is expected to be about 20.8 million bales--nearly 3 million more than last season. The supply consists of the carry-over of nearly 5.3 million bales, and 1949 crop which was estimated on October 1 at about 15.3 million bales and imports of about 200,000 bales.

Nearly three-fourths of the August 1 carry-over was held in the Commodity Credit Corporation stocks as collateral on unredeemed loans made to cotton farmers during last season.

U. S. WHEAT OUTLOOK

Highlights of the wheat outlook for 1950-51 include a slight decline in wheat prices, acreage allotments for the first time since 1943 and a relatively favorable export demand.

The national acreage allotment of 68.9 million acres for the 1950 crop announced on July 14 is being revised in line with Public Law 272 which was signed by the President in August. If an allowance is made for the increase in allotments and for overplanting, about 75 million acres may be seeded. With average yields of 15 bushels per acre, the crop would be about 1,125 million bushels.

Domestic disappearance of wheat in 1950-51 is again likely to total about 700 million bushels. If exports total 400 million bushels, carry-over on July 1, 1951, would be about 25 million bushels higher than the approximately 300 million bushels expected on July 1, 1950. Before the war, stocks averaged 235 million bushels. The record carry-over was 631 million bushels in 1942.

The 400-million-bushel estimate for exports in 1950-51 is, of course, very tentative. The quantity we ship abroad will depend considerably on the size and distribution of the world crop. In addition, the role played by the United States in world affairs will continue very important in determining the size of our exports.

U.S. FARMERS' NET INCOME, 1949 AND 1950

Farmers' realized net income in 1949--the difference between gross income and total production expenses--is estimated at 14.0 billion dollars. The expected decline of almost 10 percent in gross income from the 1948 level, associated with a much smaller reduction in expenses, means that net income for the average farmer will be off about 16 percent.

A similar pattern of changes is in prospect for 1950; and realized net income is again expected to be down more than gross income on a percentage basis. The decline could equal that indicated for this year, in which case net income would be at a level approximately a third below its 1947 high.

Net income is likely to be down more than gross income in 1949, and also in 1950, mainly because of high and relatively fixed overhead costs. This is especially true of depreciation charges on farm capital, which are up this year and may show only a slight decline in 1950. However, farmers' actual cash expenditures on buildings, machinery, and other equipment are already declining in 1949 and are likely to be down substantially in 1950. So farmers' net cash available for family living, after deducting actual cash expenditures for production purposes, will show smaller declines in both years than their realized net incomes.

FEED PRICES SHOW LITTLE CHANGE

Average prices paid by North Carolina farmers for most high protein and grain by-products feeds showed little change during the month ending December 15. Bran, corn meal, mixed dairy feed, laying mash and scratch grain prices were the same as November. Cottonseed meal increased five cents per hundred pounds and was the only listed feed to increase during the month. Wheat, middlings and meat scrap decreased 10 and 60 cents, respectively, per hundred pounds.

FEED PRICES PAID BY FARMERS DEC. 15, 1949

WITH COMPARISONS

FEED PER HUNDREDWEIGHT	NORTH CAROLINA		UNITED STATES	
	Nov. 15 1949	Dec. 15 1949	Nov. 15 1949	Dec. 15 1949
	-DOLLARS-			
BRAN.....	3.30	3.30	2.80	2.92
MIDDINGS.....	3.55	3.45	3.01	3.08
CORN MEAL.....	3.80	3.80	3.08	3.16
COTTONSEED MEAL.....	3.40	3.45	3.80	3.85
MIXED DAIRY FEED:				
16% PROTEIN.....	3.40	3.40	3.38	3.41
18% PROTEIN.....	3.65	3.65	3.53	3.63
20% PROTEIN.....	3.80	3.80	3.62	3.73
LAYING MASH.....	4.70	4.70	4.38	4.41
SCRATCH GRAIN.....	4.00	4.00	3.68	3.72
MEAT SCRAP.....	6.90	6.30	6.48	6.12

FARM REPORT

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FARM REPORT

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PIG REPORT, DECEMBER 1, 1949

	NORTH CAROLINA				UNITED STATES			
	10-YEAR AVERAGE 1938-47	1948	1949*	1950 INTENDED 1/	10-YEAR- AVERAGE 1938-47	1948	1949	1950 INTENDED 1/
	-THOUSAND HEAD-							
SPRING (DEC. 1-JUNE 1)								
SOWS FARROWED.....	128	127	138	145	8,763	7,964	9,150	9,797
PIGS SAVED.....	786	800	897	-	54,392	51,266	59,039	62,500 2/
PIGS PER LITTER *.....	6.2	6.3	6.5	-	6.32	6.44	6.45	-
FALL (JUNE 1-DEC. 1)								
SOWS FARROWED.....	105	106	110	-	5,451	5,158	5,726	-
PIGS SAVED.....	666	689	715	-	34,692	33,921	37,262	-
PIGS PER LITTER*.....	6.3	6.5	6.5	-	6.50	6.58	6.51	-
ANNUAL TOTAL (DEC. 1) (DEC. 1)								
PIGS SAVED.....	1,452	1,489	1,612	-	89,084	85,187	96,301	-

* Pigs per litter - actual number.

1/ Indicated from breeding intentions reports.

2/ Average number of pigs per litter used to compute indicated number of spring pigs.

Number rounded to nearest 500,000 head.

FARM LABOR (Continued)

livestock, repairing buildings, fences and ditches, and chores was the principal activity on many farms.

For the U. S. about 1% more hired workers were employed during the week of November 20-26 in 1949 than were employed during the same period in 1948. Family workers, however, were down slightly from the November 1948 level. Total agricultural employment at 9,003,000 was practically unchanged from a year ago.

FARM PRODUCT PRICES DOWN

From January through November of 1949, farmers received about 25 billion dollars from the sale of farm products, or 10 percent less than they received in the corresponding period last year. The total volume of marketings was slightly larger than in the first 11 months of 1948, but prices received by farmers averaged 12 percent lower. Price declines averaged about the same for crops and for livestock products. Cash receipts from meat animals and dairy products were both down about 15 percent because of lower prices. But receipts from poultry and eggs were down only slightly, for larger marketings of broilers and turkeys partially offset lower prices. A substantial drop in cash receipts from wheat accounted for a large part of the decline in crop receipts for the first 11 months. Slightly smaller quantities of wheat were marketed this year at lower prices. Marketings and prices of soybeans were down, and total cash receipts from oil-bearing crops were considerably lower. With lower prices for truck crops and most other vegetables, receipts from vegetables were down also.

PIG CROP (Continued)

farrowing months were generally favorable.

North Carolina farmers' reports on breeding intentions indicate 145,000 sows to farrow in the spring of 1950. This is an increase of 5 percent over last year and 13 percent over the 10-year average.

The 1949 National pig crop totaled 96.3 million head, an increase of 13 percent over last year. An increase of 7 percent over last year is indicated in the number of sows to farrow in the Nation during the Spring of 1950.

Based on December 1 conditions next year's winter wheat crop is forecast at 885 million bushels. This compares with 902 million in '49 and 727 million bushels average.

HATCHERY REPORT, NOVEMBER 1949

The number of chicks produced by North Carolina commercial hatcheries in November was 19 percent more than the 2,572,000 chicks produced during November last year, and 86 percent above the November 1943-47 average hatch of 1,642,000 chicks. November production amounted to 3,051,000 chicks. The demand for chicks for commercial broiler production continues fairly strong; however, placements of chicks in the commercial broiler area declined sharply during the latter part of November and dropped slightly below last year's level.

Production of chicks in North Carolina during the 11 months of this year totaled 49,653,000-- an increase of 36 percent over the 36,430,000 chicks placed during the same period last year.